

Pages will please distribute amendment C. This will be Amendment No. 2. The Clerk will read the amendment.

READING CLERK: Amendment No. 2 to Committee Recommendation SF-4, by Delegate Mentzer: On page 2 section 6.01, State Indebtedness, in line 15 after the word "years" add the following words: "upon the prior certification of need by the governor and".

THE CHAIRMAN: The amendment is submitted by Delegate Mentzer.

Is there a second?

*(Whereupon, the motion was seconded.)*

THE CHAIRMAN: The amendment having been seconded, the Chair recognizes Delegate Mentzer to speak to the amendment.

DELEGATE MENTZER: This amendment would put one further brake or step upon the State in going from 15 to 25 years in that it would require certification of need by the governor before the General Assembly could go ahead with its three-fifths vote to have the 25-year limitation on bonds. I do not want to repeat why I feel it necessary to put whatever protection we can in our Constitution for this extension.

I would like to briefly read from a letter received by our Committee on October 30 from Governor Agnew who favored the extension to 25 years under certain conditions:

"As I stated in my address to the Convention on September 29, I share the concern of respected and experienced state fiscal experts over the impact of any bond period extension on the credit rating of the State. Nonetheless, we can see and must face a need to implement unusual and massive programs to purify our air and waters, to provide modern transportation systems and to meet the present challenge to public safety.

"Bond issues for such programs cannot be amortized over a 15-year period without a dramatic increase in the current tax burden. Furthermore, the beneficial life of the improvements growing out of such programs would justify liquidation over a longer period.

"The period for bond amortization is a controversial issue and reconciliation of differing views seems to be in order. Alternatives should be explored and I suggest as one possibility the retention of

our 15-year limitation, with extension in particular cases up to a 25-year maximum. Exceptional extensions should be limited by the Constitution to those instances when the governor certifies the necessity for such action and a three-fifths majority vote of both houses of the General Assembly concurs."

Following this suggestion of the governor, I wish to, not upon request of the governor in any way, but because I feel it is an added brake, I wish to submit this amendment.

THE CHAIRMAN: Delegate Sherbow.

DELEGATE SHERBOW: Mr. Chairman, ladies and gentlemen of the Committee, I urge you to vote against this amendment. When the Governor submits his capital budget with the bond issues that follow from them this means he is submitting it and this is his prior approval urging the legislature to act on his capital improvement program.

If the legislature decides on its own that it is going to initiate any form of what we call supplementary appropriation in the form of additional capital expenditures, then the legislature has a much greater deterrent than what is asked for here. The legislature has to provide the taxes for it.

We think you have all the brakes each way, the system now in operation is much better than a prior veto such as this new form of legislation imbedded in the Constitution. I hope you will vote against the amendment.

THE CHAIRMAN: Does any other delegate desire to speak in favor of the amendment? Does any other delegate desire to speak in opposition?

*(There was no response.)*

Are you ready for the question?

*(Call for the question.)*

The question arises upon the adoption of Amendment No. 2. A vote Aye is a vote in favor of the amendment. A vote No is a vote against.

Cast your votes.

Have all delegates voted? Does any delegate desire to change his vote?

*(There was no response.)*

The Clerk will record the vote.

There being 34 votes in the affirmative and 65 in the negative, the motion fails. The amendment is rejected.